IN THE CLAIMS

1. (currently amended) A method for assessing a loan portfolio comprising a plurality of loans, each loan having at least one characteristic assigned thereto, said method comprising the steps of:

identifying a milestone for ~~at least one loan in~~ each loan included within the portfolio at a selected time of assessment, wherein the milestone relates to a status of the corresponding loan;

segmenting the loan portfolio based on the at least one characteristic assigned to each loan;

determining planned collections for ~~the loan~~ each loan for the selected time of assessment;

determining actual collections for ~~the loan~~ each loan for the selected time period of ~~assessment; and~~ assessment;

populating a spreadsheet identifying a current milestone and a cumulative variance between planned collections and actual collections at the current milestone for the loan; and

determining a contribution of a portfolio segment to an overall cumulative loan portfolio variance.

2. (original) A method according to Claim 1 wherein the milestone for at least one loan comprises one of not contacted, in negotiation, scheduled for approval, approved, approved delinquent, closed, closed delinquent, paid-in-full, and foreclosed.

3. (original) A method according to Claim 1 wherein determining planned collections comprises the steps of denormalizing a business plan to create a list-oriented format for each loan and each planned payment, coding planned payments to an index of time, and determining cumulative planned collections for each loan.

4. (original) A method according to Claim 1 wherein determining actual collections comprises the steps of coding actual payments for each loan to an index of time and determining cumulative actual payments for each loan.

5.  (currently amended)  A database for a variance tracking system, said database comprising a memory storage having data stored therein, said data comprising:

at least one characteristic associated with each of a plurality of loans included within a loan portfolio, wherein the loan portfolio is segmented based on the at least one characteristic assigned to each loan;

a milestone status for each of a plurality the plurality of loans, wherein the milestone relates to a status of the corresponding loan;

planned payments for each loan;

actual payments for a plurality of loans each loan;

indexes of time associated with each planned payment and with each actual payment payment;

a variance between each planned payment and each actual payment; and

a contribution of each portfolio segment to an overall cumulative loan portfolio variance.

6.  (currently amended)  A computer program for controlling operation of a computer to determine variance in a loan portfolio, each loan having at least one characteristic assigned thereto, said computer program executable to control the computer to:

associate each loan in the portfolio with one of a plurality of milestones, wherein the milestone relates to a status of the corresponding loan;

segment the loan portfolio based on the at least one characteristic assigned to each loan;

determine cumulative planned collections for a selected each loan for the selected a selected time of assessment;

determine cumulative actual collections for the loan each loan for the selected time period of assessment; and assessment;

determine a cumulative variance for ~~the loan~~ <u>each loan</u> for the selected time period of assessment based on the cumulative planned collections and cumulative actual collections<u>; and</u>

<u>determine a contribution of each portfolio segment to an overall cumulative loan portfolio variance.</u>

7. (original) A computer program according to Claim 6 further executable to control a computer to populate a spreadsheet identifying a current milestone and a cumulative variance between planned collections and actual collections at the milestone for the loan.

8. (original) A computer program according to Claim 6 wherein the milestone for at least one loan comprises one of not contacted, in negotiation, scheduled for approval, approved, approved delinquent, closed, closed delinquent, paid-in-full, and foreclosed.

9. (original) A computer program according to Claim 6 wherein to determine planned collections, said program is executable to control the computer to denormalize a business plan to create a list-oriented format for each loan and each planned payment, and coding planned payments to an index of time.

10. (original) A computer program according to Claim 6 wherein to determine actual collections, said program is executable to control the computer to code actual payments for each loan to an index of time.

11. (currently amended) A variance tracker system for tracking variance in a loan portfolio, said system comprising:

a database comprising a memory storage having data stored therein, said data comprising a milestone status for each of a plurality of loans <u>within the loan portfolio, at least one characteristic assigned to each loan,</u> planned payments for each loan, actual payments for a plurality of loans, and indexes of time associated with each planned payment and with each actual payment; and

a processor coupled to said database, said processor programmed to:

associate each loan in the portfolio with one of a plurality of milestones<u>, wherein each milestone relates to a status of a corresponding loan</u>;

segment the loan portfolio based on the at least one characteristic assigned to each loan;

determine cumulative planned collections for ~~a selected~~ each loan for ~~the selected~~ a selected time of assessment;

determine cumulative actual collections for ~~the loan~~ each loan for the selected time period of ~~assessment; and~~ assessment;

determine a cumulative variance for ~~the loan~~ each loan for the selected time period of assessment based on the cumulative planned collections and cumulative actual collections; and

determine a contribution of each portfolio segment to an overall cumulative loan portfolio variance.

12. (original) A system according to Claim 11 wherein said processor is further programmed to populate a spreadsheet identifying a current milestone and a cumulative variance between planned collections and actual collections at the milestone for the loan.

13. (original) A system according to Claim 11 wherein the milestone for at least one loan comprises one of not contacted, in negotiation, scheduled for approval, approved, approved delinquent, closed, closed delinquent, paid-in-full, and foreclosed.

14. (original) A system according to Claim 11 wherein to determine planned collections, said processor is programmed to denormalize a business plan to create a list-oriented format for each loan and each planned payment, and coding planned payments to an index of time.

15. (original) A system program according to Claim 11 wherein to determine actual collections, said processor is programmed to code actual payments for each loan to an index of time.

16. (new) A method according to Claim 1 wherein the at least one characteristic assigned to each loan including real estate secured, other collateral secured, and unsecured.